<u>AMENDMENTS TO THE SPECIFICATION</u>

<u>IN THE SPECIFICATION</u>:

Please replace the second paragraph on page 1 with the following amended paragraph:

In conventional moving image encoding, MPEG2 etc. are used, and respective pictures are encoded by any of an I-picture for encoding only a frame, a P-picture for encoding the difference between a frame and a reference image using the past frame already encoded on a time basis as the reference image, and a B-picture for encoding the difference between a frame and a reference image using average values of the past frames already encoded on a time basis, the future frames or the past and future frames as the reference image. What these plural pictures are combined is defined as GOP and the number of frames constructing the GOP is indicated by N. Also, ~~the~~ <u>a</u> distance [[of]] <u>between</u> the I-picture [[or]] <u>and</u> the <u>neighboring</u> P-picture of the GOP is ~~indicated~~ <u>denoted</u> by M, and a configuration of the GOP is represented by the N and M <u>and a distance between the nearest neighboring two P-pictures is also M.</u>